STAND. COM. REP. NO. 1415

Honolulu, Hawaii

APR 0 6 2017

RE: S.C.R. No. 80

S.D. 1

Honorable Ronald D. Kouchi President of the Senate Twenty-Ninth State Legislature Regular Session of 2017 State of Hawaii

Sir:

Your Committees on Judiciary and Labor and Commerce, Consumer Protection, and Health, to which was referred S.C.R. No. 80 entitled:

"SENATE CONCURRENT RESOLUTION URGING THE DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS TO PREPARE A CHECKLIST FOR EMPLOYERS WISHING TO OFFER A HIGH DEDUCTIBLE HEALTH PLAN FOR USE WITH A HEALTH SAVINGS ACCOUNT TO FACILITATE THE SUBMISSION AND APPROVAL PROCESS FOR EMPLOYERS SEEKING SUCH PACKAGES,"

beg leave to report as follows:

The purpose and intent of this measure is to urge the Department of Labor and Industrial Relations to prepare a checklist for employers wishing to offer a high deductible health plan for use with a health savings account to facilitate the submission and approval of high deductible health plan and health savings account packages submitted to the Director of Labor and Industrial Relations for approval.

Your Committees received testimony in support of this measure from Alexander & Baldwin, Inc.; Chamber of Commerce Hawaii; and University Health Alliance. Your Committees received testimony in opposition to this measure from the International Longshore and Warehouse Union, Local 142. Your Committees received comments on this measure from the Department of Labor and Industrial Relations.

Your Committees find that employers offering high deductible health plans to their employees enable their employees to receive favorable federal and state tax benefits when they open a health savings account. Pursuant to existing law, an employer subject to the Hawaii Prepaid Health Care Act is required to receive approval from the Director of Labor and Industrial Relations in order to offer its employees a healthcare option, such as a high deductible health plan in tandem with a health savings account, in addition to coverage under a prepaid health care plan. To receive approval of a package containing a high deductible health plan in tandem with a health savings account, the employer must make a certain level of contribution to the health savings account and a certain level of contribution to the cost of the coverage of dependents under the package. By urging the Department of Labor and Industrial Relations to prepare a checklist for employers wishing to offer a high deductible health plan for use with a health savings account, this measure will streamline the process through which employers may obtain approval for these packages to offer to their employees.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Judiciary and Labor and Commerce, Consumer Protection, and Health that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 80, as amended herein, and recommend its adoption in the form attached hereto as S.C.R. No. 80, S.D. 1.

Respectfully submitted on behalf of the members of the Committees on Judiciary and Labor and Commerce, Consumer Protection, and Health,

ROSALYN H. BAKER, Chair

GILBERT S.C. KEITH-AGARAN, Chair

## The Senate Twenty-Ninth Legislature State of Hawaiʻi

## Record of Votes Committee on Judiciary and Labor JDL

Bill / Resolution No.:*	Committee Referral:			Date:				
SCR 80	JDL/CPH			4/4/1				
The Committee is reconsidering its previous decision on this measure.								
If so, then the previous decision was to:								
The Recommendation is:								
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313								
Members		Aye	Aye (WR)	Nay	Excused			
KEITH-AGARAN, Gilbert S.C. (C)		V						
RHOADS, Karl (VC)								
GABBARD, Mike								
KIM, Donna Mercado				a the				
THIELEN, Laura H.	·							
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TOTAL		4	0	0				
Recommendation:  Adopted Not Adopted								
Chair's or Designee's Signature:								
Distribution:         Original         Yellow         Pink         Goldenro           File with Committee Report         Clerk's Office         Drafting Agency         Committee File								

## The Senate Twenty-Ninth Legislature State of Hawaiʻi

## Record of Votes Committee on Commerce, Consumer Protection, and Health CPH

Bill / Resolution No.:*	Committee	Referral:	Date	e: / / .				
SCR 80	JDL/CPH 4/4/17							
The Committee is reconsidering its previous decision on this measure.								
If so, then the previous decision was to:								
The Recommendation is:								
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313								
Members		Aye	Aye (WR)	Nay	Excused			
BAKER, Rosalyn H. (C)								
NISHIHARA, Clarence K. (VC)								
CHANG, Stanley		/						
ESPERO, Will		/						
IHARA, Jr., Les								
KIDANI, Michelle N.								
RUDERMAN, Russell E.		/						
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TOTAL		6						
Recommendation:  Adopted  Not Adopted								
Chair's or Designee's Signature:								
Distribution:         Original         Yellow         Pink         Goldenrod           File with Committee Report         Clerk's Office         Drafting Agency         Committee File Copy								